

EMPLOYEE ENGAGEMENT IN THE INSURANCE SECTOR IN MANGALORE CITY OF DAKSHINA KANNADA

V. T. SHAILASHRI¹, SUREKHA SHENOY² & SURESH KUMAR³

¹Research Scholar, Srinivas University, Mangalore, Karnataka, India

^{2,3}Professor, Srinivas Institute of Management Studies, Mangalore, Karnataka, India

ABSTRACT

The insurance industry of India consists of life insurers and non-life insurers. Amongst 53 insurance companies in India 24 are in life insurance business and 29 are non-life insurers. One of the most recently advancing sectors is Insurance sector which includes banking and other service sectors. In the recent years, low insurance market penetration rate and wide market opportunities have attracted many private companies towards insurance sector, giving tough competition to the old insurance giants. To sustain in the market it is necessary for the insurance sector to provide good products along with good services. While dealing with services the employees of the organization come into picture, However, effective and efficient HR services can make it possible for any company to function smoothly as well as have an edge over its competitors. Insurance industries face their share of challenges and issues. The work environment is rigorous in this sector. The employee is expected to perform in a very stressful environment. It is necessary to motivate the employees and see that they drive the business and bring laurels to the organization. This paper is an identification of employee engagement practices in the insurance sector. It tries to demonstrate the factors of engagement in the insurance sector. The paper is a descriptive one which focuses on deriving a mathematical equation for engagement. A sample study is done. Primary data is collected for the purpose and appropriate statistical tools are used to arrive at the conclusion.

KEYWORDS: Employee Engagement, Insurance Sector, Factors of Engagement & Survey Method

Original Article

Received: May 11, 2018; **Accepted:** Jun 01, 2018; **Published:** Jul 05, 2018; **Paper Id.:** IJHRMRAUG20183

INTRODUCTION

Employee Engagement

Employee engagement as a term has gained great importance in the present age. It includes getting the best from the employees by involving them in all activities and affairs of the organization. The employee involvement in the organization and work depends on the organizational culture. Organizations which have an open culture consider and value employee suggestions and try to implement it for the overall development of the organization. Employee engagement can be classified into two categories Engaged and disengaged. Engaged employees are those who strive for the organization's wellbeing. They are the employees who have the organization as their top priority and are willing to forgo their personal life for professional life. They are the ones who are satisfied with the work, happy with their environment and have the joy of creating something new. They are the individuals in the organization who are positive and work as a team. Disengaged employees are the ones who are not happy with the work environment, they are negative thinkers and have a problem for everything.

Insurance Sector

The insurance sector is a major job providing sector in India. There are both public and private sector players in this field. The nature of the job in the insurance sector is challenging and employees in this sector have a stressful environment. It is, therefore, necessary for the Human Resource department to bring out measures and practices which will retain employees in this field. The insurance sector is one of the sectors which provides ample job opportunities.

REVIEW OF LITERATURE

The Results of the study done by **Gabriel M. De La Rosa (2008)** highlight the importance of considering employee perceptions of job demands, job control, and job support to understanding employee engagement. Also, the possibility of cultural values which may influence the importance of work characteristics is discussed. **Pati Surya Prakash & Pankaj Kumar (July 2010)** “Employee Engagement: Role of Self- Efficacy, Organizational Support & Supervisory Support.” This study argues that differences between Self –Efficacy levels in employees are primarily responsible for differences in displayed Engagement. Based on the findings the study argues and defines engagement as expressed empowerment pertaining to a role thus enriching the management literature concerning engagement. **Vaijayanthi P. et al (2011)**, the main purpose of this study is to ascertain the status of employee engagement and the factors that impede better employee engagement. In the findings of this study the factors are confirmed infrastructure, cross-functional discussions, communication & interaction with the corporate office employees, reflection on the feedbacks and proper support and orientation the locations/offices, lack of accountable response from the corporate office for issues including dearth of personnel, employee facilities, deficient communication regarding seminars, workshops, and other training sessions from the corporate office, and inadequate visits by the business team to be the stumbling blocks for better employee engagement. **Hale, Richard T, (2016)** in his research study focused on individual personality, the perceived quality of employees working relationships with their supervisors, and their work roles contribute to employee engagement. From the above literature review, the questionnaire for studying employee engagement was derived based on individual, organizational and group characteristics

Problem Statement

The insurance sector is fast growing and the vibrant changes in this sector require a dedicated team of professionals working together to reach the company targets and satisfy customer needs. It is also necessary to keep the employees satisfied and happy so that they deliver the maximum. Therefore this study is an attempt to identify the satisfaction levels of the insurance employees and also an effort to determine the factors which contribute to the satisfaction of employees. Further too satisfaction it is also necessary to keep the employees engaged in the organization. For the purpose of employee engagement, the organization should necessary practices which will motivate

Objectives

- To identify the level of work satisfaction for the employees in the insurance sector
- To identify Factors which are important to have employee satisfaction
- To determine the relationship between age and satisfaction

RESEARCH DESIGN

A descriptive design is used for the study. A questionnaire is drafted and primary data is collected by distributing the same. The questionnaire contains questions related to the satisfaction level and the various factors which lead to work satisfaction in the organization. The data is analyzed using SPSS. The Sample unit for the study includes 112 employees of the private insurance sector. The study does not differentiate employees based on hierarchy. Most of the respondents include middle-level Management

DISCUSSION AND ANALYSIS

Table 1: Overall Satisfaction with this Organization as an Employee

Overall Satisfaction with this Organization as an Employee					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Dissatisfied	7	6.3	6.3	6.3
	Dissatisfied	35	31.3	31.3	37.5
	Neither satisfied or dissatisfied	14	12.5	12.5	50.0
	Satisfied	56	50.0	50.0	100.0
	Total	112	100.0	100.0	

The table above shows that 50% of employees lie in the range of dissatisfied whereas another 50% are satisfied with their organization they are working for. Therefore it is important for the organization to identify its drawbacks in terms of employee needs and design employee-friendly practices so that employees stay back in the organization

Table 2: Statistics

Overall Satisfaction with this Organization as an Employee		
N	Valid	112
	Missing	0
Mean		3.0625
Median		3.5000
Mode		4.00
Range		3.00
Minimum		1.00
Maximum		4.00
Sum		343.00

The mean ranking for the overall satisfaction is 3.06 and the mode is 4. This shows that a large number of people are neither satisfied nor dissatisfied in the insurance sector.

Chi-Square Test is applied to find out if there is an association between the age and satisfaction level. It is seen that there is a significant association between age and the satisfaction level.

Table 3: Chi-Square Tests for Age and Satisfaction

	Value	df	Asymp. Sig. (2-Sided)
Pearson Chi-Square	185.500 ^a	21	.000
Likelihood Ratio	178.461	21	.000
Linear-by-Linear Association	3.047	1	.081
N of Valid Cases	112		

From the table and analysis, it is found out that the young people in the organization are not so satisfied with the organization they work for, but as individuals grow older in the industry they are more satisfied and seem to be satisfied.

Table 4: Descriptive Statistics on factors of Employee Engagement

	N	Range	Minimum	Maximum	Sum	Mean	Std. Deviation
Overall satisfaction with this organisation as a employee	112	3.00	1.00	4.00	343.00	3.0625	1.03350
Overall I am happy with the leadership and Planning in the organization	112	4.00	1.00	5.00	364.00	3.2500	1.15079
Overall I am happy with the organizational culture and communication	112	2.00	2.00	4.00	350.00	3.1250	.99662
Overall I understand the importance of my role to the success of the organization	112	3.00	2.00	5.00	476.00	4.2500	1.30488
Overall the work environment is good	112	3.00	1.00	4.00	336.00	3.0000	1.17787
Overall the superior-subordinate relationship is good	112	3.00	2.00	5.00	364.00	3.2500	.66441
Overall Training and development is good in the organization	112	1.00	3.00	4.00	392.00	3.5000	.50225
Overall, I'm satisfied with this organization's benefits package	112	1.00	2.00	3.00	308.00	2.7500	.43496
Valid N (listwise)	112						

Overall satisfaction has a value of 3.0625 which is less and shows that employees are in a category of neither satisfied nor dissatisfied. In particular, it can be seen that each individual understands their role in the organization and has a value of 4.25. The least satisfaction is regarding the organizational benefit package which has a value of 2.75 and the dispersion value that is standard deviation is also the least with 43496. This is an indicator that majority of respondents are not happy with the pay benefits they receive from their company

Major Findings

- Employees in the insurance sector are dissatisfied and it is important for the organization to identify reasons for dissatisfaction. The organization has to work on their weakness and try to engage the employees in the organization.
- Employees in this sector to understand the role they have to play in the organization and also know that each individual's performance matters to the well being and profitability of the organization. The employees are also happy about the training which is provided and developmental activities which are offered in the organization.
- The benefits package needs some consideration as this factor is least rated and the majority of the employees feel salary should be increased as also the living standard is quite high in Mangalore cit

- Leadership roles are appreciated and the relationship between superiors and subordinates is quite good in this sector. The employees in the organization work with the cordial relationship with team leaders and work with mutual trust
- Overall the work environment is not appreciated, mostly because of the stress involved in the nature of work and also the employees need to visit clients and therefore rate this moderately low when compared to other factors
- On further analysis, it is found that employees at a young age are more dissatisfied and as they progress in age and experience they seemed to be more satisfied with the work and its environment.

CONCLUSIONS

The above study shows that the employees in the insurance sector are not satisfied with working in their organization. The insurance sector today is one of the sectors which have plenty of job opportunities. It is necessary for this sector to introduce more employee friendly practices and attract the best talent. It is important to have more strong HR initiatives to make on boarding easy for the fresher's. The study shows the age of employees has an effect on satisfaction levels. The older they are the more satisfied they seem to be. Therefore the insurance sector needs to have HR policies which will retain them in the initial stages of their career. Also it is found out that each individual understands his/her role in the organization very well and the pay and benefits package is the one factor the employees are not satisfied. The training activities initiated by the organizations in this sector is well appreciated to conclude it is necessary for the organizations in this sector to make efforts towards employee engagement.

REFERENCES

1. Chetty, T. (2010). *The Drivers and Inhibitors of Strategy Execution*. Pretoria, SA: Gordon Institute publishers.
2. Cooper, R. (2001). *Business Research Methods*. New York, NY: McGraw – Hill Companies. Cook, S. (2008). *The Essential Guide to Employee Engagement: Better Business Performance Through Staff Satisfaction*. London, UK: Kogan Page Publishers. Deloitte Consulting. (2014). *The Global Human Capital Trends Report*. South Africa: Deloitte Development LLC.
3. Galpin, C. R. (1998). *Core Components of the service climate. Linkages to Customer satisfaction and profitability*, *Journal of customer satisfaction*, 9(7), 7-9. Gallup,
4. J. L. (2003). *Perceived political climate and job attitudes*. *Organizational Studies, Journal of organization performance*, 1(4), 59-71.
5. Gibbons, J. (2006). *Employee Engagement: A Review of Current Research and Its Implications*. New York, NY: The Conference Board.
6. Guffey, B. H. (2002) *Job demands-job resources, and their relationship with Burnout and engagement. A multi-sample study*, *Journal of Organizational Behaviour*, 25, 293- 315.
7. Harter, J., & Adkins, A. (2015, April 2). *What Great Managers do to Engage Employees*. *Harvard Business Review*. 64
8. Harrington, B. (2006). *The Impact of Human Resource Management Practices turnover and productivity*. *Corporate Financial Performance, Journal of Academy of Management*,
9. Kahn, W. A. (1990). *Psychological conditions of personal engagement and Disengagement at work*. *Personal and psychological engagement, Journal of human resource*, 1(33), 692-724

10. Kaplan, R.S. & Norton, D.P. (2008). *Linking Strategy to Operations for Competitive Advantage*. Boston, MA: Harvard Business School Publishing Corporation
11. Kothari, C. R. (2004). *Research Methods; Quantitative and Qualitative Approaches*. Nairobi, KE: Acts press.
12. Kroth, M., & Keeler, C. (2009). Caring as a managerial strategy. *Human Resource Development Review*, 8, 506-531 65
13. Kyarimpa, M. (1996). *Supervision today*. Upper Saddle, NJ: Prentice Hall Publishers.
14. Lincoln, N. G. (2012). 'Perceived the political climate and job attitudes. *Organizational Studies. Journal of employee performance*, 1(4), 9-11.
15. Gopal, R., and Rima Ghose Chowdhury. "Leadership styles and employee motivation: An empirical investigation in a leading oil company in India." *International journal of research in business management* 2.5 (2014): 1-10.
16. Mann, A., & Harter, J. (2016, January 7). *The Worldwide Employee Engagement Crisis*. Gallup Business Journal.
17. Mary, H. L. (2011). *Human resource*. London, UK: Oxford publishers May, D. R. (2004). *Can You See the Real Me? A Self-based Model of Authentic Leader and Follower Development*. *Journal of Leadership Quarterly*, 16(3), 343–72.
18. Melcrom, F. (2005). *Re-engineering your performance management process*. London, UK: Kogan Page Ltd Publishers.
19. Meyer, (2000). *Organized Development and Transformation in South Africa*. Mayville, DUR: Butterworth Publishers
20. Schultz, H. (2008). *Organizational Behavior*. Pretoria SA: Van Schaik Publishers.
21. Karbalaee, B., and N. U. K. Shirvani. "Mediating effect of occupational health and employees well being on organizational performance." *Int J Res Bus Manag (IJRBM)* 3 (2015): 29-42.
22. Schneider, B. (2009). Driving customer satisfaction. *Financial success through Employee engagement. Journal of People and Strategy*, 32(2) 23-27.
23. Schwartz, S. L. (2011). *Engaging our workforce: How job demands and resources contribute to social worker burnout, engagement and intent to leave*. Portland State University
24. Shaw, A. (2005). *Marketing Research*. Upper Saddle River, NJ: Pearson Education Publishers. Shuck, M. D. (2010). *Psychological engagement. Importance of Employee Engagement, Journal of psychological engagement*, 2(3), 7-10.